## TENNESSEE REGULATORY AUTHORITY

Ron Jones, Chairman Deborah Taylor Tate, Director Pat Miller, Director Sara Kyle, Director



460 James Robertson Parkway Nashville Tennessee 3724330505
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August 2, 2005

(Contact Name) (Company Address)

RE: Rural Incumbent Local Exchange Carrier Self-Certification of Eligibility to Receive Rural Universal Service Funds for Fiscal Year 2005, Docket No. 05-00194

Dear (Name):

The Federal Communications Commission has required that rural incumbent telecommunications providers provide statements to the state regulatory agency regarding the use of Universal Service Funds. The Code of Federal Regulations, Title 47 § 54.314 states, in part:

States that desire rural incumbent local exchange carriers and/or eligible telecommunications carriers serving lines in the service area of a rural incumbent local exchange carrier within their jurisdiction to receive support pursuant to §§ 54.301, 54-305, and/or 54.307 and/or part 36, subpart F of this chapter must file an annual certification with the Administrator and the Commission stating that all Federal high-cost support provided to such carriers within that State will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

Part 54.314(d)(1) provides the scheduled support payment quarters for receipt of certifications on or before October 1<sup>st</sup> of the preceding year, stating in part,

Carriers for which certifications are filed on or before October 1 shall receive support...in the first, second, third, and forth quarters of the succeeding year.

If your company intends to file for certification to receive Universal Service Support for Fiscal Year 2006, please submit your request by Thursday, September 1, 2005. In order to assist the Authority in ensuring that Universal Service Funds are paid to eligible carriers for all four quarters of Fiscal Year 2006, your request must state that all federal high cost support, including high cost loop support, local switching support, high cost support received pursuant to the purchase of exchanges, high cost model support, and

hold harmless support, will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with 47 U.S.C. § 254(e) of the Telecommunications Act of 1996.

Also, in order to enable the Authority to properly evaluate the use of Universal Service Funds in Tennessee, please provide the amount of support your company received for Fiscal Year 2004, and how those funds were allocated.

As a reminder, by letter dated April 8, 2005 (Copy attached), the Authority informed all currently designated ETCs in Tennessee of the FCC's new annual reporting requirements. Although the new reporting requirements are not in effect for this October 1, 2005, filing, this serves as a reminder that the new reporting requirements must be used for the October 1, 2006, filing.

Please file your response to Docket No. 05-00194. If you have any questions regarding this requirement and subsequent request, please contact Lewis De Board at 615-741-3939, or 1-800-342-8359, extension 219.

Sincerely,

Darlene Standley, Chief Utilities Division

Attachment (1)

<sup>&</sup>lt;sup>1</sup> In the Matter of Federal-State Joint Board on Universal Service, CC Docket 96-45, FCC 05-46 (Report and Order, (March 17,2005)